

and arms transfers may only be provided for Ethiopia or Eritrea for any period of time for which the President determines that Ethiopia or Eritrea (as the case may be) is in compliance with, or is taking significant steps to comply with, the terms and conditions of the Algiers Agreements.

(c) EXCEPTIONS.—The limitation on assistance under subsections (a) and (b) shall not apply with respect to humanitarian assistance (such as food or medical assistance), assistance to protect or promote human rights, and assistance to prevent, treat, and control HIV/AIDS.

(d) WAIVER.—The President may waive the application of subsection (a) or (b) with respect to Ethiopia or Eritrea, particularly for the provision of peacekeeping assistance or counterterrorism assistance, if the President determines and certifies to the appropriate congressional committees that it is in the national interests of the United States to do so.

SEC. 7. INTEGRATION AND BORDER DEVELOPMENT INITIATIVE.

(a) ASSISTANCE.—After the date on which the border demarcation between Ethiopia and Eritrea is finalized (consistent with the decision of the Boundary Commission established by the Comprehensive Peace Agreement), the President shall establish and carry out an initiative in conjunction with the Governments of Ethiopia and Eritrea under which assistance is provided to reduce the adverse humanitarian impacts on the populations of the border region, prevent conflict which might result from the demarcation process, and further social and economic development projects that are identified and evaluated by local authorities to establish sustainable integration, development, and trade at the border region.

(b) PROJECT EXAMPLES.—Examples of development projects referred to in subsection (a) are—

(1) startup initiatives, including farming projects, to promote community economic development and the free flow of trade across the border between the two countries;

(2) generous compensation packages for families displaced by the border demarcation and support for relocation;

(3) effective mechanisms for managing movement of persons across the border between the two countries;

(4) an increase in the supply of basic services in the border region, including water, sanitation, housing, health care, and education; and

(5) support for local efforts to reinforce peace and reconciliation in the border region.

SEC. 8. REPORT.

Until the date on which the border demarcation between Ethiopia and Eritrea is finalized, the President shall prepare and transmit on a regular basis to the appropriate congressional committees a report that contains a description of progress being made toward such demarcation, including the extent to which Ethiopia and Eritrea are in compliance with, or are taking significant steps to comply with, the terms and conditions of the Algiers Agreements, and are otherwise cooperating with internationally-sanctioned efforts to resolve the current impasse.

Mr. SMITH of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

The amendment in the nature of a substitute was agreed to.

Mr. LANTOS. Mr. Speaker, I want to thank the Chairman of the Committee on International Relations, my good friend from Illinois, for agreeing to move this important legislation forward. With passage of this legislation, Congress will further encourage the end to a long, protracted dispute between these two desperately poor nations.

In July 2003, after considerable deliberation, I introduced this legislation to let the Eritrean and Ethiopian governments know that the international community's patience with this costly border dispute could not go on forever. Mr. Speaker, Ethiopia and Eritrea fought an unnecessary and bloody two-year war beginning in May 1998, which claimed 100,000 lives and displaced more than 1,000,000 people. The damage of the war was exacerbated by a preventable food crisis that left nearly 12 million people at risk of starvation.

Today, 20 years after the 1984 Ethiopian famine, both Ethiopians and Eritreans rely increasingly on food aid abroad while their governments spend hundreds of millions of dollars on weapons. In 2000, Ethiopia and Eritrea signed a comprehensive peace agreement in Algiers. The agreement established a neutral Boundary Commission and the parties agreed that the decision of the Commission is final and binding.

In April 2002, the Boundary Commission announced its Delimitation Decision, placing the heavily disputed town of Badme in Eritrea. Both nations initially accepted the ruling, although Ethiopia later rejected the Commission's ruling. Ethiopia's refusal to accept the decision of the Boundary Commission has delayed demarcation of the boundary and is costing the international community millions of dollars because of the delay.

To date, more than \$600 million have been spent to keep U.N. peacekeeping troops in a 25-kilometer-wide temporary security zone between the two countries. Meanwhile, the people of both nations are starving. In Eritrea, the 2004 donor appeal included a request for nearly \$150 million to meet their food requirements for this year alone. Meanwhile, 13 million Ethiopians will meet none of their food needs in the 2004–05 production year, increasing to 14 million in 2005–06 and reaching an estimated 17.3 million by 2007–2008.

Mr. Speaker, over the past decade, the United States has provided \$1.8 billion in foreign assistance to Ethiopia and another \$333 million to Eritrea. So, why is the international community being asked to spend one-half a billion dollars to keep Ethiopia and Eritrea from attacking each other while their people starve? Mr. Speaker, what is wrong with this picture? And why, after agreeing to the Boundary Commission's decision, has Ethiopia continued its refusal to comply with its own binding commitment?

U.N. Secretary General Kofi Anan appointed Lloyd Axworthy, the former Canadian foreign minister, as his Special Envoy and charged him with reinforcing international efforts to settle the dispute and move the process forward. While I deeply disagree with the position taken by President Meles of Ethiopia, I want to commend him for extending the courtesy of meeting with the Special Envoy during his visit to Ethiopia.

On the other hand, I cannot express the extent of my dismay and disappointment that President Issaias of Eritrea refused to meet the Special Envoy, illustrating his own inflexi-

bility and disdain for international efforts. There were no preconditions for meeting Mr. Axworthy, and only a diplomatic courtesy was expected.

Mr. Speaker, it is an outrage that these two countries whose citizens live on the very edge of survival cannot end their belligerent relationship, settle their dispute, and get on with addressing the critical economic, social, and political needs of their people. Instead of developing the great agricultural potential of Ethiopia and exploiting Eritrea's strategic port, these two countries find themselves permanently locked in a dispute and ultimately, appealing again to the international community for humanitarian help.

Mr. Speaker, H.R. 2760 sends a very clear message to both countries—abide by the Algiers Agreement and respect international diplomatic efforts and the United States will work to build economic prosperity and peace in the border areas. However, if either country fails to abide by the Algiers Agreement or refuses to cooperate with the Special Envoy, there should be consequences.

The amendment offered by the gentleman from Michigan, Mr. SMITH, and myself updates the resolution and has been agreed by both sides of the aisle. I want to thank my good friend from Michigan for assistance in this matter.

Mr. Speaker, I urge all of my colleagues to vote in support of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2760.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONFERENCE REPORT ON H.R. 1047, MISCELLANEOUS TRADE AND TECHNICAL CORRECTIONS ACT OF 2004

Mr. THOMAS submitted the following conference report and statement on the bill (H.R. 1047) to amend the Harmonized Tariff Schedule of the United States to modify temporarily certain rates of duty, to make other technical amendments to the trade laws, and for other purposes:

(Conference report will be printed in Book II of the RECORD.)

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report to accompany the bill (H.R. 1047) to amend the Harmonized Tariff Schedule of the United States to modify temporarily certain rates of duty, to make other technical amendments to the trade laws, and for other purposes, and that the conference report be considered as having been read.

The Clerk read the title of the conference report.